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Protection, and  
the Massachusetts  
Housing Finance  
Agency



GOVERNMENT DOCUMENTS  
COLLECTION

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# Homeowner Septic Repair Loan Program

This information is available  
in alternate format upon request  
by contacting DEP's ADA Coordinator  
at 617-574-6872



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# Homeowner Septic Repair Loan Program

Financial help is available for all homeowners faced with the need to repair a failed septic system to meet the Commonwealth's Title 5 requirements. Through a combined effort of the Department of Environmental Protection, the Massachusetts Department of Revenue, and the Massachusetts Housing Finance Agency (MHFA), below-market-rate loans are now available.

Homeowner Septic Repair Loans are available to eligible homeowners at low interest rates of 0%, 3%, and 5%, depending on income, for loans ranging in size from a minimum of \$1,000 to a maximum of \$25,000.

## Participating Lenders

All lenders who have been approved by MHFA to participate in the Homeowner Septic Repair Loan Program. See enclosed list for lenders in your area.

## Contact

Call the MHFA at (617) 854-1020 or (617) 854-1333.

# Program Requirements

## Eligibility

Borrowers	All owner-occupants of 1-4 family homes and residential condominiums with failed sewage disposal systems whose income does not exceed Program Income Limits. Borrowers must meet lenders' internal credit guidelines.
Property Type	Single-family homes, 2-4 family homes, residential condominiums, and condominium associations.
Activities	All costs associated with sewage disposal system repairs or sewer connections.

## Loan Terms

Amount	Minimum: \$1,000 Maximum: \$25,000
Terms	Amortizing; 3-20 years, based on size of loan. Paid in full upon sale, refinance, or transfer.
Interest Rate	Loans are fully amortizing at interest rates of 0%, 3%, or 5%, depending on household income.
Maximum Loan-to-Value	Loans are credit based, not equity based; maximum loan-to-value ratios are not applicable.
Points	"0" points.



## **Loan Terms *(cont.)***

Security	All loans are secured by a subordinate mortgage; nonassumable.
Insurance	Hazard Insurance on each property; Flood Insurance if applicable.
Debt-to-Income	The maximum debt-to-income ratio is 50% of borrower's gross income.
Appraisal	No appraisal of the property is required.

## **Loan Application Process**

Where to Apply	Borrowers apply for financing through MHFA-approved lenders.
Required Forms	FHLMC #703/FNMA#1012 plus other program-specific forms which will be provided by the participating lender.
Additional Documentation	Plans/specifications approved by local Board of Health as evidenced by a Disposal System Construction Permit; Sewage Disposal System Inspection form; contract with firm price and Contractor's Mass. Registration number; Certificate of Compliance by local Board of Health upon completion.

## Homeowner Septic A Step-By-Step

Homeowner D  
System Failure a  
face Disposal Sy

Homeowner O  
Contract and Co

Homeowner Su  
Application and I  
Approved Plans

Lender Determin  
Eligibility

Septic Loan Und

Loan(s) Closed; F

Loans Sent to MH

MHFA Pays \$500

Septic System Re  
Certificate of Cor  
by Local Board of

Certificate of Con  
MHFA by Lender

# Repair Loan Program

## 8-Step Guide

Discovers Septic  
and Obtains Subsur-  
face Inspection

Obtains Repair  
Construction Permit

Submits Loan  
Application to Board of Health-  
to Lender

Verifies Income

Is Reviewed

Places Funds in Escrow

Obtains HFA for Purchase

Pays Fee to Lender

Repairs Completed;  
Compliance Issued  
by Health

Compliance Sent to

## Income Limits for 0% Loan \*

Market Area	Family Size	
	1-2 Persons	3 or More
A. Boston Area	\$25,000	\$28,500
B. Lawrence Area	\$23,500	\$27,000
C. Lowell Area	\$25,000	\$28,500
D. New Bedford Area	\$23,000	\$26,000
E. Springfield Area	\$23,000	\$26,000
F. Balance of State Market Area	\$23,000	\$26,000

## Income Limits for 3% Loan \*

Market Area	Family Size	
	1-2 Persons	3 or More
A. Boston Area	\$50,000	\$57,000
B. Lawrence Area	\$47,000	\$54,000
C. Lowell Area	\$50,000	\$57,000
D. New Bedford Area	\$46,000	\$52,000
E. Springfield Area	\$46,000	\$52,000
F. Balance of State Market Area	\$46,000	\$52,000

## Income Limits for 5% Loan \*

Market Area	Family Size	
	1-2 Persons	3 or More
A. Boston Area	\$100,000	\$114,000
B. Lawrence Area	\$94,000	\$108,000
C. Lowell Area	\$100,000	\$114,000
D. New Bedford Area	\$92,000	\$104,000
E. Springfield Area	\$92,000	\$104,000
F. Balance of State Market Area	\$92,000	\$104,000

\* Find the letter code for your community at right to determine market area.



# List of Communities

ABINGTON	F	BROCKTON	F	EAST BRIDGEWATER	F
ACTON	A	BREWSTER	F	EAST BROOKFIELD	F
ACUSHNET	D	BROOKFIELD	F	EAST LONGMEADOW	E
ADAMS	F	BROOKLINE	A	EASTHAM	F
AGAWAM	E	BUCKLAND	F	EASTHAMPTON	E
ALFORD	F	BURLINGTON	A	EASTON	F
AMESBURY	A			EDGARTOWN	F
AMHERST	E			EGREMONT	F
ANDOVER	B	CAMBRIDGE	A	ERVING	F
ARLINGTON	A	CANTON	A	ESSEX	A
ASHBURNHAM	F	CARLISLE	A	EVERETT	A
ASHBY	F	CARVER	A		
ASHFIELD	F	CHARLMONT	F		
ASHLAND	A	CHARLTON	F	FAIRHAVEN	D
ATHOL	F	CHATHAM	F	FALL RIVER	F
ATTLEBORO	F	CHELMSFORD	C	FALMOUTH	F
AUBURN	F	CHELSEA	A	FITCHBURG	F
AVON	F	CHESHIRE	F	FLORIDA	F
AYER	A	CHESTER	F	FOXBOROUGH	A
		CHESTERFIELD	F	FRAMINGHAM	A
		CHICOPEE	E	FRANKLIN	A
BARNSTABLE	F	CHILMARK	F	FREETOWN	D
BARRE	F	CLARKSBURG	F		
BECKET	F	CLINTON	F		
BEDFORD	A	COHASSET	A	GARDNER	F
BELCHERTOWN	E	COLRAIN	F	GAY HEAD	F
BELLINGHAM	A	CONCORD	A	GEORGETOWN	B
BELMONT	A	CONWAY	F	GILL	F
BERKLEY	A	CUMMINGTON	F	GLOUCESTER	A
BERLIN	A			GOSHEN	F
BERNARDSTON	F			GOSNOLD	F
BEVERLY	A	DALTON	F	GRAFTON	F
BILLERICA	C	DANVERS	A	GRANBY	E
BLACKSTONE	A	DARTMOUTH	D	GRANVILLE	F
BLANDFORD	F	DEDHAM	A	GREAT BARRINGTON	F
BOLTON	A	DEERFIELD	F	GREENFIELD	F
BOSTON	A	DENNIS	F	GROTON	C
BOURNE	F	DIGHTON	A	GROVELAND	B
BOXBOROUGH	A	DOUGLAS	F		
BOXFORD	B	DOVER	A		
BOYLSTON	F	DRACUT	C		
BRAINTREE	A	DUDLEY	F		
BRIDGEWATER	F	DUNSTABLE	C		
BRIMFIELD	F	DUXBURY	A		

HADLEY	E	LAKEVILLE	F	MILTON	A
HALIFAX	F	LANCASTER	A	MONROE	F
HAMILTON	A	LANESBOROUGH	F	MONSON	E
HAMPDEN	E	LAWRENCE	B	MONTAGUE	F
HANCOCK	F	LEE	F	MONTEREY	F
HANOVER	A	LEICESTER	F	MONTGOMERY	E
HANSON	F	LENOX	F	MT. WASHINGTON	F
HARDWICK	F	LEOMINSTER	F		
HARVARD	A	LEVERETT	F		
HARWICH	F	LEXINGTON	A	NAHANT	A
HATFIELD	E	LEYDEN	F	NANTUCKET	F
HAVERHILL	B	LINCOLN	A	NATICK	A
HAWLEY	F	LITTLETON	A	NEEDHAM	A
HEATH	F	LONGMEADOW	E	NEW ASHFORD	F
HINGHAM	A	LOWELL	C	NEW BEDFORD	D
HINSDALE	F	LUDLOW	E	NEW BRAINTREE	F
HOLBROOK	A	LUNENBERG	F	NEW MARLBOROUGH	F
HOLDEN	F	LYNN	A	NEW SALEM	F
HOLLAND	F	LYNNFIELD	A	NEWBURY	A
HOLLISTON	A			NEWBURYPORT	A
HOLYOKE	E			NEWTON	A
HOPEDALE	A	MALDEN	A	NORFOLK	A
HOPKINTON	A	MANCHESTER	A	NORTH ADAMS	F
HUBBARDSTON	F	MANSFIELD	A	NORTH ANDOVER	B
HUDSON	A	MARBLEHEAD	A	NORTH ATTLEBOROUGH	F
HULL	A	MARION	D	NORTH BROOKFIELD	F
HUNTINGTON	E	MARLBOROUGH	A	NORTH READING	A
		MARSHFIELD	A	NORTHAMPTON	E
		MASHPEE	F	NORTHBOROUGH	F
IPSWICH	A	MATTAPOISETT	D	NORTHBRIDGE	F
		MAYNARD	A	NORTHFIELD	F
		MEDFIELD	A	NORTON	A
KINGSTON	A	MEDFORD	A	NORWELL	A
		MEDWAY	A	NORWOOD	A
		MELROSE	A		
		MENDON	A		
		MERRIMAC	B	OAK BLUFFS	F
		METHUEN	B	OAKHAM	F
		MIDDLEBOROUGH	F	ORANGE	F
		MIDDLEFIELD	F	ORLEANS	F
		MIDDLETON	A	OTIS	F
		MILFORD	A	OXFORD	F
		MILLBURY	F		
		MILLIS	A		
		MILLVILLE	A		

PALMER	E	SHERBORNE	A	WARREN	F
PAXTON	F	SHIRLEY	A	WARWICK	F
PEABODY	A	SHREWSBURY	F	WASHINGTON	F
PELHAM	F	SHUTESBURY	F	WATERTOWN	A
PEMBROKE	A	SOMERSET	F	WAYLAND	A
PEPPERELL	C	SOMERVILLE	A	WEBSTER	F
PERU	F	SOUTH HADLEY	E	WELLESLEY	A
PETERSHAM	F	SOUTHAMPTON	E	WELLFLEET	F
PHILLIPSTON	F	SOUTHBOROUGH	A	WENDELL	F
PITTSFIELD	F	SOUTHBRIDGE	F	WENHAM	A
PLAINFIELD	F	SOUTHWICK	E	WEST BOYLSTON	F
PLAINVILLE	A	SPENCER	F	WEST BRIDGEWATER	F
PLYMOUTH	A	SPRINGFIELD	E	WEST BROOKFIELD	F
PLYMPTON	F	STERLING	F	WEST NEWBURY	B
PRINCETON	F	STOCKBRIDGE	F	WEST SPRINGFIELD	E
PROVINCETOWN	F	STONEHAM	A	WEST STOCKBRIDGE	F
		STOUGHTON	A	WEST TISBURY	F
QUINCY	A	STOW	A	WESTBOROUGH	F
		STURBRIDGE	F	WESTFIELD	E
RANDOLPH	A	SUDBURY	A	WESTFORD	C
RAYNHAM	F	SUNDERLAND	E	WESTHAMPTON	F
READING	A	SUTTON	F	WESTMINSTER	F
REHOBOTH	F	SWAMPSCOTT	A	WESTON	A
REVERE	A	SWANSEA	F	WESTPORT	F
RICHMOND	F			WESTWOOD	A
ROCHESTER	D			WEYMOUTH	A
ROCKLAND	A	TAUNTON	A	WHATLEY	F
ROCKPORT	A	TEMPLETON	F	WHITMAN	F
ROWE	F	TEWKSBURY	C	WILBRAHAM	E
ROWLEY	A	TISBURY	F	WILLIAMSBURG	E
ROYALSTON	F	TOLLAND	F	WILLIAMSTOWN	F
RUSSELL	E	TOPSFIELD	A	WILMINGTON	A
RUTLAND	F	TOWNSEND	A	WINCHENDON	F
		TRURO	F	WINCHESTER	A
		TYNGSBOROUGH	C	WINDSOR	F
SALEM	A	TYRINGHAM	F	WINTHROP	A
SALISBURY	A			WOBURN	A
SANDSFIELD	F	UPTON	A	WORCESTER	F
SANDWICH	F	UXBRIDGE	F	WORTHINGTON	F
SAUGUS	A			WRENTHAM	A
SAVOY	F	WAKEFIELD	A		
SCITUATE	A	WALES	F	YARMOUTH	F
SEEKONK	F	WALPOLE	A		
SHARON	A	WALTHAM	A		
SHEFFIELD	F	WARE	E		
SHELBURNE	F	WAREHAM	A		

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